

SENATE BILL 356

By Hensley

AN ACT to amend Tennessee Code Annotated, Title 38;
Title 45, Chapter 7 and Title 67, Chapter 6, relative
to money transmission.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 6, is amended by adding
the following as a new section:

(a)

(1)

(A) The department of revenue shall assess a refundable five-dollar fee on each separate transaction whereby an individual transmits an amount of money from a location originating in this state to a location outside of the United States or its territories through an entity licensed under the Tennessee Money Transmitter Act of 1994, compiled in title 45, chapter 7.

(B) In addition to other fees authorized by title 45, chapter 7, an entity licensed under the Tennessee Money Transmitter Act of 1994, may charge an individual a nonrefundable processing fee no greater than one dollar (\$1.00) per transaction.

(2) Notwithstanding subdivision (a)(1), if the individual who is transmitting money from a location originating in this state to a location outside of the United States or its territories by a transaction with an entity licensed under the Tennessee Money Transmitter Act of 1994, produces the individual's valid Tennessee driver license, the individual's valid military identification, or the

individual's spouse's valid military identification at the time of the transaction, then the person is not subject to the fee described in subdivision (a)(1). The entity shall retain a copy of the identification for the entity's records.

(3) Entities licensed under the Tennessee Money Transmitter Act of 1994, shall make the copies of documents described in subdivision (a)(2) available for inspection by the department upon request by the department.

(b) Notwithstanding § 67-6-103 or any other law to the contrary:

(1) Revenues generated from the fee described in subdivision (a)(1)(A) must be deposited in a special account in the state general fund and retained in the account until the revenues are unencumbered. Revenues are unencumbered on July 1 of each year after the expiration of the refund application period described in subdivision (b)(3);

(2) Pursuant to title 9, chapter 4, part 6, the state treasurer may invest the revenues in the account described in subdivision (b)(1) for the sole benefit of the account while encumbered;

(3) The revenues in the account described in subdivision (b)(1) are subject to refund upon application made by the individual who paid the fee imposed by subdivision (a)(1)(A). An individual may apply for a refund within ninety (90) days of the transaction and must submit with the refund application to the department a copy of the individual's social security number or taxpayer identification number in addition to proof of the fee paid and other information the department may require by rule.

(c) This section is repealed July 1, 2026.

SECTION 2. The department of revenue shall promulgate emergency rules within seventy-five (75) days of the effective date in SECTION 3(a) to effectuate the purposes of this

act. The rules must be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 3.

(a) For purposes of promulgating rules and forms, this act takes effect upon becoming a law, the public welfare requiring it.

(b) For all other purposes, this act takes effect July 1, 2022, the public welfare requiring it.